

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Lisa B. Driggins, Public Utilities Analyst

DATE: December 18, 2013

SUBJECT: IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICES PURSUANT TO 26 DEL. C. §203C (“AWC 100713”) (FILED NOVEMBER 8, 2013) –
PSC DOCKET NO. 13-CPCN-11

On November 8, 2013, Artesian Water Company, Inc. (“Artesian” or the “Company”) filed an application (“Application”) with the Delaware Public Service Commission (the “Commission”) seeking a Certificate of Public Convenience and Necessity (“CPCN”) to provide water services to one parcel of land in Sussex County, Delaware (“Proposed Service Area”) pursuant to 26 Del. C. §203C(e)(1)(b).

As required by 26 Del. C. §203C(e)(1)(b) and the Commission’s Regulations Governing Certificates of Public Convenience and Necessity for Water Utilities, 26 Del. Admin. C. §2002 (the “Regulations”), the Application contains the following documentation: (1) copies of petitions signed by all land owners of record included in the Proposed Service Area requesting to be included in the Proposed Service Area; (2) copies of the United States Postal Service forms verifying that the Company sent, via certified mail, a Commission approved notice to all landowners of record of each parcel included in the Proposed Service Area; (3) a list of the County tax map parcel identification numbers of the properties and identification of all landowners of record included in the Proposed Service Area;¹ and (4) a copy of the associated tax map clearly marking the Proposed Service Area. Additionally, the Application contains Artesian’s statement that its expansion of service to the Proposed Service Area will comply with the water pressure requirements of 26 Del. C. §§403(a) and (b) and that Artesian is not barred by any of the restrictions set forth in 26 Del. C. §403(c).

¹At Staff’s request, Artesian submitted a written certification that the Company (i) reviewed the appropriate tax or land record documents relating to the Proposed Service Area; (ii) confirmed that the landowner identified in the parcel listing are the landowners of record; and (iii) confirmed that the petitions included in the Application have been signed by each landowner of record.

In addition to the required notification to all the landowners of record in the Proposed Service Area, Artesian published a notice in The News Journal and Delaware State News newspaper on November 13, 2013. The notice advised residents of the Application, that the Application may be reviewed at the Commission's office during normal business hours or at the Commission's website, that a hearing in this matter would not be held unless an appropriate request for a hearing was received, and that the property owner may object to or "opt-out" of the Proposed Service Area. To date, no comments regarding the Company or this Application have been received and no landowners of record included in the Proposed Service Area have objected to the Application or elected to "opt-out" of the Proposed Service Area.

Commission Staff (the "Staff") reviewed the Application to ensure compliance with the statutory provisions of 26 Del. C. §203C and the Regulations. No errors or omissions were found. Finally, to determine whether the Commission should deny the requested CPCN as set forth in 26 Del. C. §203C(f), Staff solicited comments from the Delaware Department of Natural Resources and Environmental Control, the Office of the State Fire Marshal, and the Office of Drinking Water of the Division of Public Health. All three agencies responded and confirmed they have no issues relating to Artesian's ability to provide safe, adequate, and reliable water services to its existing customers.

In summary, Artesian has submitted the necessary proof required by the provisions of 26 Del. C. §§203C(e)(1), 203C(e)(1)(b), 203C(e)(3) and the Regulations for issuance of a CPCN. Staff also finds no reason that the Company is not entitled to a CPCN under the provisions of 26 Del. C. §203C(f). Therefore, Staff recommends that the Commission grant the Application.